

THE DISC=CONNECTION®

○ **STORE:** 7253 MANCHESTER AVENUE • ST. LOUIS, MO 63143-2400 • (314) 644-1171
○ **WAREHOUSE:** 2743 SUTTON AVENUE • ST. LOUIS, MO 63143-3007 • (314) 644-5174

ORIGINAL



Date: 5/24/00

To: The Federal Trade Commission

I was quite shocked and disappointed when I read about your intention to force the record labels to discontinue their Minimum Advertised Price (MAP) policy which has protected thousands of retail music stores for the better part of the last decade.

We operate a retail store and a small wholesale distribution company, selling to many independent retailers as well as some chain stores. Before the MAP policy was put into place, we watched many of our customers in independent stores, that had been healthy and viable concerns for many years, fold because they were not able to compete with category killer stores that sold the hit CD's below cost. We were among the lucky ones, since we held out to the bitter end when the MAP policy was instituted by the major record labels, saving our business.

This time, I fear that none of the small stores or mid-sized chains will survive, because there will be no help from the record companies nor from the federal government, since, as soon as the MAP policy is revoked, the large electronic stores, using CD's as "loss leaders", will have no reason to hold any of their tactics in check. In short, if you allow your ruling to stand, it will spell the death of many retail music stores and wholesale distributors, which employ thousands of people and it will ultimately cause variety in music to disappear, as large retailers push to sell whatever is the "flavor" of the day and ignore less sellable genres. This is not a case of "fair trade" for those who cannot afford to sell items below cost.

Please keep this industry from going under. Please keep choice and variety as a major concern in the music industry. Please do not force the record labels/distributors to revoke the MAP policy.

Sincerely,

A handwritten signature in cursive script that reads "Sherre Birenbaum".

Sherre Birenbaum

Owner

cc: US Senate Committee of Commerce